



Department of Medical Assistance Services  
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<http://www.dmas.state.va.us>

# MEDICAID MEMO

TO: All Pharmacy providers participating in the Virginia Medical Assistance Program and all holders of the *Pharmacy Manual*.

FROM: Patrick W. Finnerty, Director  
Department of Medical Assistance Services

MEMO Special  
DATE 6/10/2003

SUBJECT: Pharmacy Claims Processing Information in NCPDP Version 5.1

The purpose of this memo is to provide additional instructions for pharmacy claims processing in NCPDP version 5.1 effective June 20, 2003, with the implementation of the new Medicaid Management Information System (MMIS). The areas affected are Pharmacy Header, Rebates, Anti-Ulcer Program, Pro-DUR, and Billing. Please be sure to verify that your software vendor has certified with our fiscal agent, First Health Services Corporation (FHSC), to insure proper claims processing of the 5.1 upgrade before June 20, 2003.

**Pharmacy Header.** DMAS announced the MMIS changes in a Medicaid Memo dated August 8, 2002, and May 1, 2003. The following pharmacy claim header information updates the information provided in the Companion Guide for Payer Specification Sheet for Virginia Medicaid Version 5.1 available on the FHSC website <http://virginia.fhsc.com>. **Please note that the BIN Number and Processor Control Number have changed.**

**BIN Number = 010900**

**Version/Release = 51**

**Processor Control Number = 5148010900**

Service Provider ID = nine digit Virginia Medicaid Number. Note- if you experience problems using your 7 digits Medicaid number, add 2 leading zeros to the existing number.

**Rebates.** DMAS is required, by federal mandates, to only cover medications produced by manufacturers who participate in the Federal Rebate agreement. The former processing system edits may not have always recognized non-rebatable drugs, but the new system will deny claims if the drug is not included in the rebate program. The pharmacist will be notified of this by an error message. The pharmacist must change the drug dispensed to one produced by a

manufacturer which participates in the rebate program in order to be reimbursed under Medicaid. The NDC code must correspond to the product dispensed. This also applies to all ingredients of compounded drugs.

**Anti-Ulcer Program.** The acute dosing edit for anti-ulcer medications will continue in the new MMIS. Currently DMAS allows for a 90-day acute dosing of any combination of anti-ulcer medications. After 90 days, most patients will only require a maintenance dose. For those who need acute dosing beyond 90 days, the following data elements must be completed in the PA/MC field. Do not use the NCPDP response field for this initiative.

1. Prior Authorization type code = 05 for anti-ulcer prior authorization
2. The prior authorization number submitted according to diagnosis:

Gastroesophageal Reflux Disease (GERD)	5555555521
Pathological Hypersecretory Syndrome	5555555522
Zollinger-Ellison Syndrome	5555555523
Unhealed Ulcer (gastric, duodenal, peptic)	5555555524
History of Upper GI Bleeding	5555555525
Erosive Esophagitis	5555555526

**Prospective Drug Utilization Review (Pro-DUR).** Pro-DUR edits in the system will require NCPDP approved override codes in order to process the claim. The current Pro-DUR edits are: early refill, therapeutic duplication, insufficient daily dose, late refill, drug-age contraindication, drug-pregnancy contraindication, excessive quantity, drug-drug interactions, and drug-diagnosis contraindications. Most of these edits will appear as messages to the pharmacists to provide information that they may need when dispensing the prescription. The only Pro-DUR edits set to deny a claim are early refill and therapeutic duplication. Pharmacists can override both of these edits by entering the appropriate NCPDP code for the Pro-DUR response code of Conflict, Intervention and Outcome as noted below. Pharmacists must use their professional judgment when using these override codes. The following table lists the appropriate codes. These codes replace any prior authorization numbers used in version 3.2 claims submission.

<b>Pro-DUR Reason for Service (Conflict Code) NCPDP Field 439</b>	<b>Professional Service (Intervention Code) NCPDP Field 440</b>	<b>Pro-DUR Result of Service (Outcome Code) NCPDP Field 441</b>
ER/ Early Refill (FH Error 418) Controlled and Non-Controlled substances	AS = Patient Assessment DE = Dosing Evaluation/ Determination MØ = Prescriber Consulted PØ = Patient Consulted	1A 1B 1C 1D 1E 1F 1G 1H 1J 1K 2A 2B 3A 3B 3C 3D 3F 3G 3H 3J 3K 3M 3N <i>Note: These are ALL of the Outcome Codes as defined by NCPDP (See definitions below)</i>
TD/Therapeutic Duplication (FH Error 942)	AS = Patient assessment CC = Coordination of care DE = Dosing evaluation/ Determination MØ = Prescriber consulted MR = Medication Review PØ = Patient consulted	1A 1B 1C 1D 1E 1F 1G 1H 1J 1K 2A 2B 3A 3B 3C 3D 3F 3G 3H 3J 3K 3M 3N <i>Note: These are ALL of the Outcome Codes as defined by NCPDP</i>

### Outcome Code Definitions

1A	Filled as is, False Positive
1B	Filled Prescription As Is
1C	Filled, with Different Dose
1D	Filled, with Different Directions
1E	Filled, with Different Drug
1F	Filled, with Different Quantity
1G	Filled, With Prescriber Approval
1H	Brand to Generic Change
1J	Rx to OTC Change
1K	Filled with Different Dosage Form
2A	Prescription not Filled
2B	Not Filled, Directions Clarified
3A	Recommendation Accepted
3B	Recommendation Not Accepted
3C	Discontinued Drug
3D	Regimen Changed
3F	Therapy Changed- cost increase
3G	Drug Therapy Unchanged
3H	Follow-Up/Report
3J	Patient Referral
3K	Instructions Understood
3M	Compliance Aid Provided
3N	Medication Administered

## **BILLING INSTRUCTIONS**

Effective June 1, 2003, Virginia Medicaid will begin utilizing new paper claim forms (DMAS-173 and DMAS-174) for pharmacy services. These have been developed for use in the new MMIS and were discussed in a special Medicaid Memo dated April 16, 2003. The DMAS-173 claim form is used for adjustments and voids of pharmacy claims, replacing the DMAS Adjustment Form (DMAS 228 R9/78). Appropriate data are entered in Fields 11 and 12 to indicate an adjustment or void.

These claim forms are available through our mailing and distribution contractor, Commonwealth-Martin, Inc. You may contact the Commonwealth-Martin forms order desk at 804-780-0076 to order them free of charge. The forms cannot be downloaded from the DMAS website, copied, or reproduced using existing computer software.

The new MMIS also allows for better tracking of partial and completed prescriptions. Fields 25 through 29 are used specifically for this purpose only. Field 25 is used for dispensing status, P for partial fill and C for completed fill. Field 26 denotes the original prescription quantity as ordered by the physician. Field 27 corresponds to the days' supply of the original order. **Note that Virginia Medicaid will only reimburse for a 34-day supply of medications and the corresponding quantity.** Field 28 is used for the associated prescription number of the partially filled prescription. Field 29 is used for the date of the associated prescription number.

The following instructions detail **required** fields for claims submitted on the **Pharmacy Claim Form (DMAS-173 R 6/30)**:

Field Number	Description	Required (*)
1	Medicaid Pharmacy Provider Number	*
2	Patient's Last Name Patient's First Name	*
3	12-digit Medicaid Patient ID	*
4	Patient's Sex M=Male F=Female	*
5	Patient's Birth Date MMDDCCYY	
6	Level of Service	* (only if Emergency (2))
7	Days Supply	*
8	New Prescription = 0; Refill = 0 to 99	*
9	DAW Codes= 1	* (only if brand dispensed (1))
10	Patient's location	* (only if Nursing Home (3))
11	Resubmit Code	* (only if Adj. or Void)
12	Original Reference Number	* (only if Adj. or Void)
13	7 digit Rx Number	*
14	Date Dispensed (MMDDCCYY)	*
15	11digit NDC of Product Dispensed	*
16	Metric Decimal Quantity (e.g. 000002.500)	*
17	Unit Dose Code	* (only if Unit Dose for Nursing Home (4))
18	Prior Authorization Medical Certification Code	
19	11-digit Prior Authorization Number	
20	Valid Prescriber's Medicaid Provider ID #	*
21	ICD-9 Diagnosis Code	
22	Usual & Customary Charge \$\$\$\$\$\$CC	*
23	Other Coverage Codes	* (only if other insurance exists)
24	Dollar Amount Paid by Primary Payer	* (only if payment from primary payer)
25	Dispense status - P for partial fill C for completed fill	
26	Intended Metric Quantity to be dispensed	
27	Days supply corresponding to intended metric quantity	
28	Associated Prescription number from initial partial fill. Use for completed claim.	
29	Date dispensed from initial partial fill. Use for completed claim.	
30	Comments	
31	Pharmacy name, address and phone number	*
31	Certification statement, signature and date	*

### **COPIES OF MANUALS**

DMAS publishes copies of its provider manuals and provider manual up-date transmittals on its website at [www.dmas.state.va.us](http://www.dmas.state.va.us). The provider manuals and transmittals can be viewed on and printed from the website. The transmittals describe the updated materials and manual chapters and pages revised. For a list of updates, click on “up-date transmittals” in the “Provider Manuals” column. If you do not have access to the Internet, or would like a paper copy of a manual, you can order these by contacting Commonwealth-Martin at 804-780-0076. A fee will be charged for the printing and mailing of the manuals and manual updates requested.

### **“HELPLINE”**

The “HELPLINE” is available Monday through Friday from 8:30 a.m. to 4:30 p.m., except State holidays, to answer questions. The “HELPLINE” numbers are:

786-6273	Richmond area
1-800-552-8627	All other areas

Please remember that the “HELPLINE” is for provider use only.